

**Alaska Waste - Nome, LLC
Cost of Fuel Surcharge (COFS) Update
Memorandum**

Date: **April 1, 2021**

Utility Name Alaska Waste - Nome, LLC	Utility File No. TA46-655	Date Filed: March 1, 2021
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FILING SUMMARY

Statutory Deadline:
April 15, 2021

Tariff Sheet recommended for approval:
Tariff Sheet No. 43 March 1, 2021

Staff Recommended Effective Date:
March 1, 2021

Side-by-side Tariff sheet attached as Appendix 3

COFS SUMMARY

Prior Commission Determination TA Number	Date of Prior Commission Determination	Prior Commission Determination	Staff Recommended Determination	Change
TA45-655	February 29, 2020	(1.0288%)	(4.5668%)	(3.5380%)

Signed: _____

Keiba Kimp
Keiba Kimp

Utility Tariff Analyst

Reasons for the above recommendation: **See Attached Memorandum**

	Date, if different from 4/1/2021	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT*
Pickett		<i>RMP</i>		
Kurber		<i>KI</i>		
Scott		<i>AGS</i> AGS		
Sullivan		<i>DS</i> DS		
Wilson		<i>JW</i>		

Special Instructions to Staff: _____

* If this column is initialed, Staff will contact the Commissioner for the statement. Otherwise, dissent will be noted at the close of the By Direction Letter or Order.

**Alaska Waste - Nome, LLC
COFS Update
Memorandum**

To: Robert M. Pickett, Chairman
Keith Kurber II
Antony Scott
Daniel A. Sullivan
Janis W. Wilson

Date: April 1, 2021

File: TA46-655

Utility: Alaska Waste - Nome, LLC

From: Keiba Kimp

Subject: COFS

COFS Comments:

Staff reviewed this tariff filing to ensure compliance with applicable regulations (3 AAC 48.200-3 AAC 48.430). Staff also reviewed the proposed tariff sheet to ensure the stated text is easily understood, and the tariff provisions clearly and comprehensively describe and address the situation to which the tariff provision applies. Proposed revisions to the COFS are reviewed pursuant to the methodology approved with Order No. U-13-166(12) and must be filed with documentation supporting entries in the balancing account for the historical period and projections for the future period.

Staff Notes:

The estimated fuel costs decreased from \$19,194.50 to \$16,118.82. The balancing account balance decreased from (\$3,809.55) to (16,454.00). The estimated revenues increased from \$444,075 to \$455,891. The downward pressure from the decrease in estimated fuel costs, decrease in the balancing account balance, and increase in estimated revenues results in a decrease to Alaska Waste - Nome's COFS from (1.0288%) to (4.5668%).

Staff Recommendation:

The Commission should approve Tariff Sheet No. 43, filed March 1, 2021, by Alaska Waste - Nome, LLC with TA46-655. The effective date of the tariff sheet should be March 1, 2021.

Additional Comments:

Alaska Waste - Nome filed a revenue requirement study (RRS) on December 23, 2019, designated as TA42-655. TA42-655 was suspended into U-20-009 on February 6, 2020 (see Order No. U-20-002(1)/U-20-003(1)/U-20-004(1)/U-20-005(1)/U-20-006(1)/U-20-007(1)/U-20-008(1)/U-20-009(1)/U-20-010(1), issued February 6, 2020). Staff does not recommend suspension of TA46-655 into Alaska Waste - Nome's pending revenue requirement study as the COFS is calculated using the base cost of fuel from the most recently approved RRS (see Tariff Sheet No. 43, at 6). The pending RRS has not been approved; as such there is not a new base cost of fuel to use in calculating the COFS. Alaska Waste - Nome will submit an updated fuel surcharge calculation once the new base cost of fuel has been established by the Commission (see tariff advice letter for TA42-655, at 2).

Alaska Waste - Nome, LLC
Calculation and Comparison of Customer Bills
TA46-655

Residential Customer Bills	Prior Determination	Updated Determination	Change
Surcharge (%)	(1.0288%)	(4.5668%)	(3.538%)
Customer Bill			
1X Roll Cart	29.85	29.85	0.00
Regulatory Cost Charge @ 0.756%	0.22	0.22	0.00
Surcharge Amount (\$)	(0.31)	(1.36)	(1.05)
Total Customer Bill (\$)	29.76	28.71	(1.05)

Commercial Customer Bills	Prior Determination	Updated Determination	Change
Surcharge (%)	(1.0288%)	(4.5668%)	(3.538%)
Customer Bill			
1X Roll Cart	72.28	72.28	0.00
Regulatory Cost Charge @ 0.756%	0.54	0.54	0.00
Surcharge Amount (\$)	(0.74)	(3.30)	(2.56)
Total Customer Bill (\$)	72.08	69.52	(2.56)

Alaska Waste - Nome, LLC
Cost of Fuel Surcharge Amount
TA46-655

Calculation of Cost of Fuel Surcharge		
Line	Prior Determination	Updated Determination
A Estimated Per Unit Fuel Cost	\$5.2850	\$5.00
B Estimated Fuel Consumption	3,631.8820	3,222.70
C Total Estimated Fuel Costs (A*B)	\$19,194.50	\$16,118.82
D Balancing Account Balance	(\$3,809.55)	(\$16,454.00)
E Total (C+D)	\$15,384.93	(\$335)
F Estimated Retail Sales	\$444,075	\$455,891
G Projected Cost of Fuel (E/F)	3.4645%	(0.0735%)
H Base Cost of Fuel	4.4933%	4.4933%
I Cost of Fuel Surcharge Amount (G-H)	(1.0288%)	(4.5668%)

Comments

Actual Costs			
	Prior Quarter	Reported Quarter	Change
Per Unit Fuel Cost	\$5.28	\$4.72	-\$0.56
Total Fuel Cost	\$16,964.16	\$15,273.47	-\$1,690.69
Balancing Account	(3,809.55)	(16,454.00)	(12,644.45)

Actual Revenues			
	Prior Quarter	Reported Quarter	Change
Surcharge Revenue	\$4,603.05	\$6,445.62	\$1,842.57
Base Cost Revenues	\$19,496.78	\$17,483.1	(\$2,013.7)

Signature: 

Email: bob.pickett@alaska.gov

Signature: 
Keith Kurber II (Apr 1, 2021 10:02 AKDT)

Email: keith.kurber@alaska.gov

Signature: 
Antony Scott (Apr 1, 2021 11:07 AKDT)

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Daniel Sullivan (Apr 1, 2021 11:20 AKDT)

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Signature: 
Janis W. Wilson (Apr 1, 2021 12:42 AKDT)

Email: janis.wilson@alaska.gov

RCA No. 655 Ninth Revision Sheet No. 43
 Cancelling Eighth Revision Sheet No. 43

RECEIVED
SEP 21 2020

STATE OF ALASKA
 REGULATORY COMMISSION OF ALASKA

ALASKA WASTE- NOME, LLC

300.90 COST OF FUEL SURCHARGE ADJUSTMENT (CONTINUED)

NOME AREA

COST OF FUEL SURCHARGE

(1) Cost for Bi-annual Period Beginning **August 31, 2020** (T)

<u>Source</u>	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total</u>	
Diesel Fuel	3,631.8820 Gal	X \$ 5.2850 per gal =	\$ 19,194.48	(I)

(2) Balance in Cost of Fuel Balancing Account as of **June 30, 2020** (\$ 3,809.55) (T)(R)

(3) Total Lines (1) and (2) above \$ 15,384.93 (I)

(4) Estimated Bi-annual Revenue \$ 444,075 (T)(I)

(5) Projected Cost of Fuel (Line (3))/(4)) 3.4645% (R)

(6) Base Cost of Fuel Pursuant to U-14-116 4.4933%

(7) Cost of Fuel Surcharge (Line (5)-(6)) (1.0288%) (R)

Tariff Advice No. 45-655 Effective: September 1, 2020

Issued By: ALASKA WASTE - NOME, LLC

By: Heather Garland Title: Pricing Manager

RCA No. 655 Tenth Revision Sheet No. 43
 Cancelling Ninth Revision Sheet No. 43



ALASKA WASTE- NOME, LLC

300.90 COST OF FUEL SURCHARGE ADJUSTMENT (CONTINUED)

NOME AREA

COST OF FUEL SURCHARGE

(1) Cost for Bi-annual Period Beginning **March 1, 2021** (T)

<u>Source</u>	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total</u>	
Diesel Fuel	3,222.70 Gal	X \$ 5.00 per gal =	\$ 16,118.82	(R)

(2) Balance in Cost of Fuel Balancing Account as of **December 31, 2020** (\$ 16,454) (T)(R)

(3) Total Lines (1) and (2) above (\$ 335) (R)

(4) Estimated Bi-annual Revenue \$ 455,891 (T)(I)

(5) Projected Cost of Fuel (Line (3))/(4)) (0.0735%) (R)

(6) Base Cost of Fuel Pursuant to U-14-116 4.4933%

(7) Cost of Fuel Surcharge (Line (5)-(6)) (4.5668%) (R)

Tariff Advice No. 46-655 Effective: March 1, 2021

Issued By: ALASKA WASTE - NOME, LLC

By: Heather Garland Title: Pricing Manager